Foreign Trade (IIFT), Research and Information System (RIS), National Council of Applied Economic Research (NCAER) and Indian Council for Research on International Economic Relations (ICRIER) etc. The studies are based on economic modeling as well as the consultations held with/feedbacks received from the domestic stakeholders.

The FTAs also provide for maintaining sensitive/negative lists of items on which limited or no tariff concessions are granted under the Agreement. Most of the agriculture items are kept in India's Sensitive List/Negative List on the basis of recommendations made by the administrative department/Ministry. If items on which tariff concessions are offered are imported in such quantities so as to cause injury to the domestic industry, a preferential safeguard mechanism is allowed to be taken to protect the domestic industry. In addition, in case of a surge in imports, India, can also adopt WTO measures such as anti-dumping and safeguards.

Review of FDI policy

3867. SHRIMATI SUPRIYA SULE: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Union Government has decided to review Foreign Direct Investment (FDI) policy in some sectors;

(b) if so, whether the review was aimed at streamlining investment procedures in a comprehensive way, giving preference to sectors that generate more economic activity and jobs;

(c) whether the FDI policy review may include liberalizing foreign investments in sectors such as aircraft maintenance, commodity exchanges, petroleum products and real estate; and

(d) if so, by what time final decision in this regard is likely to be taken?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) and (b) Foreign Direct Investment (FDI), supplements and complements domestic investment. FDI, like any investment, has the potential for generating economic activity and employment. The FDI policy is reviewed on a continuing basis through an inter-Ministerial consultation process with a view to rationalization/liberalization of the policy.

(c) and (d) Government has, on a review of existing policy, notified changes, *inter-alia*, in the policy for FDI in the Civil Aviation Sector, Petroleum Sector, Industrial Parks and in Commodity Exchanges. The Press Notes 1-6 (2008) are on the public domain and accessible at www.dipp.gov.in. The extant policy for FDI in Civil Aviation permits, *inter-alia*, FDI up to 100% on the automatic route in Maintenance and Repair Organisations. Foreign Investment in Commodity Exchange is permitted up to 49% with prior approval of the Government. The divestment condition imposed on companies engaged in actual trading and marketing of petroleum products has been removed. FDI up to 100% is permitted on the automatic route in setting up Industrial Parks and in established Industrial Parks without attracting the conditions of Press Note 2(2005) applicable to construction development projects.